

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address CHI OPERATING, INC P.O. BOX 1799 MIDLAND, TEXAS 79702		² OGRID Number 004378
		³ API Number 30 - 015-33781
⁴ Property Code	⁵ Property Name VALLE FELIZ	⁶ Well No. 2
⁹ Proposed Pool 1 HAPPY VALLEY; ATOKA		¹⁰ Proposed Pool 2 HAPPT VALLEY; STRAWN

7 Surface Location

UL or lot no LOT 4	Section 3 N/2	Township 22S	Range 26E	Lot Idn	Feet from the 860	North/South line NORTH	Feet from the 1250	East/West line WEST	County EDDY
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8 Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Additional Well Information

¹¹ Work Type Code R	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3215
¹⁶ Multiple	¹⁷ Proposed Depth 11900	¹⁸ Formation STRAWN	¹⁹ Contractor	²⁰ Spud Date
Depth to Groundwater 137'		Distance from nearest fresh water well Approx 800'		Distance from nearest surface water Greater than 1000'
Pit: Liner: Synthetic <input type="checkbox"/> 12 mil or better if needed. Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method:				
Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Reference original C103 for casing and cement program.

Interval 1 (10,504'-10,520')

POOH with packer and production tubing. RU wireline. Set CIBP @ 10,990'. Dump three sx cmt on top to P&A Morrow perfs. POOH.

Perforators and perf the following interval: 10,504'-10,520'.

If productive, release pkr and spot 2 bbls 15% NeFe HCL across perfs. Reset pkr and pump acid away at 1/4 bpm.

Repeat steps with the intervals 2 and 3.

Interval 2 ((10,068'-10,080')

Interval 3 (10,010'-10,012')

DHC required to produce both intervals.

on 35 feet, whichever is greater

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OGP-approved plan ☐.

Printed name: Pam Corbett

Title. Regulatory Specialist

E-mail Address: pame@chienergyinc.com

Date: January 24, 2008

Phone:

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARRANT
DISTRICT II GEOLOGIST

Title:

Approval Date: **JAN 25 2008**

Expiration Date: **JAN 25 2010**

Conditions of Approval Attached ☐

1825 N. 1st St., Artesia, NM 88210
811 South First, Artesia, NM 88210
1000 N. 1st St., Aztec, NM 87410
2040 South Pacheco, Santa Fe, NM 87505

STATE OF NEW MEXICO
Energy, Minerals & Natural Resources
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, N M 87505

Revised 11/01
Submit to appropriate jurisdiction
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 50-015-33781	Pool Code 780SS	Pool Name HAPPY VALLEY POOL ; Atoka
Property Code	Property Name VALLE FELIZ	Well Number 2
OGPD No. 004318	Operator Name CHI OPERATING, INC.	Elevation 3216

Surface Location								
UL or Lot No. LOT 4 (N1/2) 3	Section 22-S	Range 26-E	Lot Idn.	Feet from the 860	North/South line NORTH	Feet from the 1250	East/West line WEST	County EDDY

Bottom Hole Location if Different From Surface									
UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Initial	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
	Signature: <i>[Signature]</i>
	Printed Name: <i>PHILIP W. WOLF</i>
	Title: <i>Sr. Eng.</i>
	Date: <i>12/21/04</i>
	SURVEYOR CERTIFICATION I HEREBY CERTIFY THAT THE WELL LOCATION SHOWN ON THIS PLAT WAS PLOTTED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE DATA IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
	Date of Survey: <i>DECEMBER 17, 2004</i>
	Signature and Seal of Professional Surveyor